

The Impact of Technological and Financial Disruption on U.S. Book Exports and Imports

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Introduction

Marketing and Financial Hypothesis

Last year in “The Competitive Advantage of U.S. Book Publishers in the International Market for Books,”¹ we presented the hypothesis that the tremendous growth in the United States of e-readers (the Nook, the Kindle, the Kobo, and so forth) and tablets (such as the Apple iPad, Samsung’s Galaxy, and Microsoft’s Surface Pro) “sparked the release of an abundance of e-books. . . . The success of e-books triggered reductions in the revenues for all printed trade books, with noticeable declines posted for adult and mass market books for 2011 and 2012 and forecast through 2015” [p. 454]. The results from the United States Department of Commerce, International Trade Administration (ITA), for first, second, and third quarter data for 2013 and reliable data from *Publishers Weekly* seem to confirm our thesis and statistical forecasts.

First, Jim Milliot wrote in *Publishers Weekly* about the major decline in print unit sales in 2012. Milliot wrote that “unit sales of print [trade] books fell just over 9 percent in 2012 . . . roughly the same percentage decline posted between 2010

Table 1 / Print Trade Book Unit Sales 2011–2012

Book Category	2011	2012	Percent Change 2011–2012
Adult Trade Nonfiction	267,061,000	232,411,000	-13.0
Adult Trade Fiction	162,919,000	145,469,000	-10.7
Juvenile Trade Nonfiction	36,273,000	38,258,000	5.4
Juvenile Trade Fiction	145,599,000	142,415,000	-2.1
Trade Hardcover	166,791,000	157,228,000	-5.7
Trade Paperback	356,433,000	325,789,000	-8.6
Trade Mass Market Paperbacks	83,576,000	66,403,000	-20.5
Total Trade Print Sales	651,233,000	590,840,000	-9.3

Source: Jim Milliot. *Publishers Weekly*. January 7, 2013, p. 3.

Detailed statistical data from the United States Department of Commerce, International Trade Administration (ITA), was used in the preparation of this article. The authors are grateful for the assistance of Jim Rice at ITA, who provided statistical data that made it possible to include the latest unit data for 2012 and first, second, and third quarter data for 2013. Final data for the year 2013 was not available in time for this report.

and 2011. Between 2010 and 2012, [trade] print book unit sales dropped just under 16 percent. The unit declines in 2012 reflect in part the 2011 collapse of Borders . . . ”² Table 1 outlines this trend.

Second, the decline was evident in 2014 when *Publishers Weekly* reported that unit sales of printed trade books for the week ending February 3, 2013, and February 2, 2014, declined 0.4 percent for adult trade hardcover books, 3.0 percent for adult trade paperbacks, and 10.0 percent for mass market paperbacks.³

Third, we analyzed unit sales of trade books (adult trade fiction and nonfiction, adult trade paperbacks, mass market paperbacks, juvenile/young adult hardcover frontlist and backlist, and juvenile/YA paperback frontlist and backlist) for the years 1994–2011 to determine if there had been slippage in print unit sales among the top 15 bestsellers for all of those years in all of these book categories. We then added data for 2012 and the preliminary data for 2013.⁴ Clearly, unit print sales in the entire trade book sector declined, and declined sharply in 2012 and 2013. Table 2 outlines the trends for 2011 and 2012 with a comparison with statistics for 1994; complete data for 2013 were not available.

Table 2 / Trade Book Number 1 Bestseller Print Unit Sales

Book Category	1994	2011	2012	Percent Change 1994–2012
Adult Trade Fiction	3,189,893	1,100,000	1,318,605	-58.66
Adult Trade Nonfiction	5,487,369	2,246,569	1,516,778	-72.36
Adult Trade Paperbacks	1,115,000	4,679,793	+29,000,000*	2,500.90
Mass Market Paperbacks	8,100,000	1,632,874	1,000,000	-87.65
Juvenile/YA [Young Adult] Hardcover Frontlist	3,094,450	3,321,388	1,425,754	-53.93
Juvenile/YA [Young Adult] Hardcover Backlist	472,200	1,671,902	4,431,869	838.56
Juvenile/YA Paperback Frontlist	1,576,900	753,888	690,314	-56.22
Juvenile/YA Paperback Backlist	642,000	2,696,707	6,203,307	866.25
Adult Trade E-Book		1,950,000	+15,000,000*	+669.23**
Juvenile/YA E-Book		1,093,091	4,595,739	+320.44**

Source: Albert N. Greco, Jim Milliot, and Robert M. Wharton. *The Book Publishing Industry*, 3rd edition (Routledge, 2014), pp. 306–311 and 402–409. Daisy Maryles. "In Hardcover, The Big Didn't Get Bigger," *Publishers Weekly*, March 18, 2013, pp. 18–42.

* Includes all 3 books in the Fifty Shades of Grey series. ** Percentage changes for 2011–2012.

Using data from the United States Department of Commerce, we prepared ARIMA forecasting estimates for print and e-book revenue sales for the years 2012–2017, which confirmed our hypothesis for the shift from print toward e-books in the United States. Table 3 outlines print and digital sales for trade books (adult hardcovers and paperbacks, juvenile/YA hardcovers and paperbacks, and religious hardcovers and paperback books). Table 4 has data for professional and scholarly books, STM (scientific, technological, medicine), LTR (legal, tax, and regulatory), and HSS (humanities and social sciences) (not textbooks). Table 5 addresses higher education hardcovers and paperback textbooks, and Table 6 covers the same years for university press hardcovers and paperback books.

Table 3 / Trade Books: Print and Digital Sales, 2012–2017 (estimated)
(\$ million)

	2012	2013	2014E	2015E	2016E	2017E
Adult/Print	4,117	3,581	3,116	2,711	2,052	1,785
Juvenile/YA Print	3,295	3,000	2,730	2,429	2,162	1,859
Mass Market/Print	806	645	516	413	330	263
Religion/Print	1,630	1,549	1,394	1,258	1,144	1,000
Print Totals	9,848	8,775	7,756	6,811	5,688	1,907
Trade E-Books	3,000	3,800	3,933	4,100	4,230	4,400
Trade Totals	12,848	12,575	11,689	10,911	10,068	9,307
% Digital of Total Trade	23.35	30.22	33.65	37.58	42.01	47.28

Source: Greco. E = estimate.

Table 4 / Professional and Scholarly Sales 2012–2017 (estimated)
(Includes STM: Scientific, technological; medicine; LTR: legal; tax; regulatory;
HSS: humanities and the social sciences; not textbooks)
(\$ million)

	2012	2013	2014E	2015E	2016E	2017E
Print	5,810	5,653	5,100	4,575	4,740	4,912
Digital	2,206	2,596	3,142	3,770	4,072	4,377
Total	8,016	8,249	8,242	8,345	8,812	9,289
% Digital of Total	27.52	31.47	38.12	45.18	46.21	47.12

Source: Greco. E = estimate.

Table 5 / Higher Education/College Textbooks
(\$ million)

	2012	2013	2014E	2015E	2016E	2017E
Print	4,185	3,767	3,389	1,694	1,524	1,350
Digital	1,730	2,840	4,120	6,530	6,721	6,950
Total	5,915	6,606	7,509	8,224	8,245	8,300
% Digital of Total	29.25	42.99	54.87	79.4	81.52	83.73

Source: Greco. E = estimate.

Table 6 / University Press (Scholarly Books)
(\$ million)

	2012	2013	2014E	2015E	2016E	2017E
Print	360	338	317	298	274	246
Digital	51	75	109	141	182	220
Total	411	413	426	439	456	466
% Digital of Total	12.41	18.16	25.59	32.12	39.91	47.21

Source: Greco. E = estimate.

As for financial issues, we investigated currency conversion concerns relating to foreign sales transactions.⁴ For example, (1) a U.S. publishing company sells physical books to a company in another country, or (2) a U.S. publishing

company purchases books printed and published and/or printed abroad for the company. It became apparent in discussions with individuals in the U.S. book publishing community that a cluster of publishing houses, primarily the largest one operating in a given country, had utilized standard “forward futures” contracts to hedge against foreign exchange currency risk.

In light of the significant number of serious currency exchange problems that materialized after the third quarter of 2006, we believe this concern deserves serious attention as it appears to pose a threat to the economic stability of some of the largest book houses in the United States.⁵

In last year’s edition of the *Library and Book Trade Almanac*, we had revenue data for 2012, but unit data were unavailable. In this article, we have added 2012 unit data for both exports and imports. Final 2013 data for revenues and units were not available for this edition, but some partial data were available for the first, second, and third quarters of 2013. We added those quarterly datasets and indicated this with a “3Q” in the tables. For purposes of comparison, we also added “3Q” data for 2012 to illustrate 2013 export and import shipments.

Data for hardbound export books was so incomplete as to be unusable. We had to rely on ITA statistics from 2012; no statistical table for exports could be constructed for this major category.

Book Exports

Table 7 provides an overview of export revenues for the major book categories for 2009 through 2012 with 3Q data for both 2012 and 2013. As could be expected, several categories posted declines between 2009 and 2012, including dictionaries

Table 7 / U.S. Exports of Books: 2009–2012 and First Three Quarters of 2013
(\$'000)

Category	Value						Percent Change 2012 3Q and 2013 3Q
	2009	2010	2011	2012	2012 3Q*	2013 3Q*	
Dictionaries and thesauruses	1,984	1,964	1,445	571	400	146	-63.5
Encyclopedias	3,497	4,190	1,873	2,979	2,427	1,734	-28.6
Art and pictorial books	17,109	18,388	25,639	25,375	19,754	23,246	17.7
Textbooks	476,625	453,482	463,284	455,584	333,194	356,598	7.0
Religious books	96,319	90,971	103,646	96,868	72,074	64,501	-10.5
Technical, scientific, and professional	434,888	453,384	388,007	310,604	230,493	210,322	-8.8
Hardcover books	203,062	221,637	250,336	277,316	n.a.	n.a.	n.a.
Mass market paperbacks	307,358	313,937	385,627	467,714	351,674	346,377	-1.5

N.B. “3Q” refers to data available for the first, second, and third quarters of a specific year. “n.a.” indicates that no data was available.

Source: U.S. Department of Commerce, International Trade Administration is the source for all export and import unit and revenue data. All totals are rounded off to one decimal point. Data for individual categories may not add to totals due to statistical rounding. Commerce often updates previously released data incorporating changes in collection methodologies.

and thesauruses (down 71.22 percent) and encyclopedias (down 14.81 percent). The downward spiral of certain categories was probably due to publishers reducing print runs, economic uncertainty in certain regions of the globe, and, we believe, the impact of currency exchange issues. The categories recording revenue changes included the generally stable textbook category (down 4.41 percent) and the technical, scientific, and professional category (down 28.53 percent). Unit data was also unsettling. In the technical, scientific, and professional category, units were down 25.99 percent between 2009 and 2012. Fortunately, a number of other export categories posted gains, and in some instances impressive gains, notably art books (up 32.31 percent) and paperbacks (up 61.87 percent). Table 8 illustrates these revenue trends.

Table 8 / U.S. Exports of Books: 2009–2012 and First Three Quarters 2013
(‘000 Units)

Category	2009	2010	2011	2012	2012 3Q*	2013 3Q	Percent Change 2012 3Q and 2013 3Q
Dictionaries and thesauruses	197	221	154	n.a.	n.a.	n.a.	n.a.
Encyclopedias	309	445	205	324	274	234	-14.6
Textbooks	29,425	38,778	41,038	38,652	29,270	26,918	-8.0
Religious books	29,227	30,476	31,576	28,021	19,958	18,719	-6.2
Technical, scientific, and professional	27,114	29,241	20,251	20,066	15,392	13,434	-12.7
Art and pictorial books	2,402	2,924	3,942	3,178	2,498	2,781	11.3
Hardcover books	24,737	24,675	26,153	30,197	22,051	21,212	-3.8
Mass market paperbacks	87,838	85,744	96,527	142,181	107,648	97,349	-9.6

* "3Q" refers to data available for the first, second, and third quarters of the year.
n.a. = not available.

A series of statistical tables were created to highlight export trends in specific categories.

Mass market paperbacks are a traditionally robust export category, and they recorded an overall year-over-year (YOY) decline in both units and revenues (down 9.60 percent in units and 1.5 percent in revenue). Revenue declines for 3Q 2012 versus 3Q 2013 were posted in seven of the top ten categories, with China's 51.2 percent slippage the most pronounced. Data for units was equally notable in China's case, down 52.6 percent. The popularity of e-readers and e-books means that mass market paperback reprints will slowly but surely decline in the next few years. Among other nations with notable decreases in units were Malaysia (down 46.4 percent) and Canada (down 11.4 percent). Table 9 has the data.

Technical, scientific, and professional books posted declining YOY results from 3Q 2012 to 3Q 2013 with the United Kingdom (up 18.7 percent in units) the only top ten nation to see an increase in unit exports. Among the decreases were Germany (down 31.8 percent) and Canada (down 16.30 percent).

**Table 9 / U.S. Book Exports of Mass Market Paperbacks (Rack Sized):
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
Canada	178,790	165,864	125,157	110,911	46,380	57,603	43,466	38,518
United Kingdom	75,816	157,859	119,088	129,358	19,719	46,329	35,611	32,435
Japan	14,869	13,185	9,936	8,850	4,255	3,872	2,945	2,256
Australia	14,661	15,671	11,577	11,932	4,622	5,445	4,201	3,921
Singapore	14,074	18,897	12,911	18,402	3,102	4,751	3,176	4,507
Philippines	9,894	15,605	12,190	8,966	3,106	4,240	3,381	2,529
Brazil	8,460	13,864	8,356	7,873	2,034	3,584	2,064	1,840
China	9,855	10,490	8,811	4,301	2,013	2,533	2,118	1,004
South Africa	12,376	8,770	6,814	4,800	3,322	2,137	1,638	974
Malaysia	4,042	6,153	5,120	3,014	988	2,797	2,490	1,335

Seven of the top ten nations sustained declines in revenues, with Canada dropping 11.5 percent and Australia 11.8 percent. Unit results were also down, with five nations losing ground, paced by Australia (down 15.6 percent). In YOY results from 3Q 2012 to 3Q 2013, the United Kingdom (up 9.00 percent in revenue) and India (up 2.80 percent) were the only two countries of the top ten to show an increase. See Table 10.

**Table 10 / U.S. Exports of Technical, Scientific, and Professional Books:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
Canada	115,665	106,742	77,123	68,237	7,831	8,320	6,221	5,205
United Kingdom	31,538	30,738	21,865	23,830	1,717	1,972	1,452	1,724
Japan	30,952	32,997	25,404	21,676	1,075	1,103	856	723
Mexico	28,335	27,654	21,731	16,017	4,246	2,897	2,296	2,158
Australia	21,994	14,431	10,882	9,598	1,013	426	321	271
Hong Kong	10,609	8,846	6,909	5,866	211	172	137	110
India	8,403	12,034	7,932	8,152	438	396	293	277
Germany	8,284	7,600	5,903	5,715	306	278	242	165
China	7,852	7,124	5,165	4744	317	291	212	195
United Arab Emirates	2,782	5,033	4,637	921	55	248	229	30

The textbook sector, although experiencing an overall decline in export units, fared well in terms of export revenues in 2012; the United Kingdom was up 15.29 percent and Mexico 23.85 percent. The overall performance of the revenue YOY from 3Q 2012 to 3Q 2013 for the top countries was relatively weak, apart from the United Kingdom (up 36.0 percent) and the United Arab Emirates (up 31.9 percent). As expected, South Korea (down 19.0 percent), Singapore (down 23.5 percent), and Japan (down 40.0 percent) generated the biggest revenue decreases.

Unit figures YOY were also well down, with a steep reverse posted by Singapore (31.9 percent). Table 11 has these figures.

**Table 11 / U.S. Exports of Textbooks:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
United Kingdom	109,868	126,671	84,846	115,374	12,530	9,436	6,540	7,471
Canada	83,120	87,016	65,369	64,180	7,810	6,855	5,305	5,043
Singapore	37,892	25,634	21,074	16,125	3,010	2,749	2,277	1,550
Australia	25,896	22,829	16,742	16,182	2,313	1,793	1,378	1,499
South Korea	23,561	25,736	17,834	14,452	1,659	2,567	1,642	1,083
United Arab Emirates	17,773	15,557	13,406	17,676	806	991	866	771
Japan	17,458	15,142	11,390	6,829	1,170	1,094	873	551
Germany	13,548	11,422	7,846	6,204	963	915	618	500
Mexico	10,824	13,405	11,156	8,451	1,943	1,953	1,591	1,691
India	10,498	10,223	7,791	4,972	997	828	685	507

Religious books had reasonably good results in a difficult business climate. Four of the top ten nations saw revenue declines in this category (Canada down 20.06 percent, the United Kingdom down 50.85 percent, Nigeria down 11.76 percent, and Mexico down 1.01 percent). A number of countries posted revenue increases, including Australia (up 35.24 percent) and Colombia (up 62.42 percent). Unit performance was uneven with a few significant declines (among them Canada, down 18.12 percent, and the United Kingdom, down 41.17 percent). YOY for 3Q 2012 and 3Q 2013 revenues were well down for a few countries, especially Venezuela (65.6 percent) and Colombia (20.0 percent). As for YOY unit results, Venezuela was down a similar percentage (62.2 percent). Brazil, on the other hand, had a tremendous year, with units up 57.1 percent. Table 12 has the performance of the top ten nations in this category.

**Table 12 / U.S. Exports of Religious Books:
Top Ten Markets 2011–2012 and 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
Canada	22,871	18,283	13,763	12,428	4,261	3,489	2,634	2,594
United Kingdom	15,395	7,566	6,043	5,200	6,607	3,887	2,954	2,362
Nigeria	9,485	8,370	5,758	4,080	2,613	2,413	1,594	1,360
Mexico	6,725	6,657	5,461	5,566	4,327	3,131	2,762	1,438
Venezuela	4,554	4,973	4,202	1,447	1,284	1,435	1,182	447
Argentina	3,319	3,418	1,819	1,762	1,485	1,599	544	443
Australia	2,784	3,765	2,523	2,486	971	1,259	816	769
Colombia	2,416	3,924	2,897	2,317	645	1,023	712	542
Ghana	2,375	2,525	1,860	2,147	676	661	450	659
Brazil	1,325	2,349	1,723	1,881	632	918	576	905

Encyclopedias and serial installments (Table 13) and dictionaries and thesauruses (Table 14) have been greatly affected by the wide acceptance of such resources on the Internet and the popularity of e-books and e-readers. While revenues for encyclopedias and serial installments continue to post some results (especially for Canada and Australia), unit tallies are barely enough to support new product developmental costs.

**Table 13 / U.S. Exports of Encyclopedias and Serial Installments:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
Canada	863	1,279	1,073	804	100	149	126	94
Mexico	206	83	50	345	56	9	5	72
United Kingdom	165	161	80	14	12	12	5	1
Australia	131	239	111	41	10	19	10	3
South Africa	108	149	104	23	8	15	12	2
Brazil	56	515	515	3	6	61	61	n.a.
Philippines	34	106	79	106	2	10	8	34
India	19	179	179	278	1	19	19	23
Chile	12	54	54	n.a.	1	6	6	n.a.
Jamaica	10	35	35	n.a.	n.a.	2	2	n.a.

n.a. = not available

**Table 14 / U.S. Exports of Dictionaries (Including Thesauruses):
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
South Korea	198	70	52	n.a.	18	6	5	n.a.
Mexico	116	90	47	32	26	12	6	7
Haiti	47	95	48	48	7	13	7	7
Brazil	24	10	10	n.a.	1	1	1	n.a.
Spain	20	16	16	n.a.	3	2	2	n.a.
United Kingdom	16	48	44	6	2	5	5	1
Singapore	11	10	10	10	2	n.a.	n.a.	1
Guatemala	11	5	5	6	5	2	2	2
Australia	10	6	6	n.a.	1	1	1	n.a.
China	9	35	35	n.a.	3	9	9	n.a.

n.a. = not available

Art and pictorial books are doing relatively well in terms of both revenues and units. Several countries continue to be good export markets for the United States, particularly Canada (up 21.37 percent), Mexico (up 32.18 percent), and the United Kingdom (up 3.46 percent). There were declines, but this category is likely to continue to generate reasonable revenues over the next few years because publishers have pricing power; what they do not have is the ability to sell more units, which

is apparent in YOY 3Q 2012 and 3Q 2013 results. Table 15 has an overview of the top ten nations.

**Table 15 / U.S. Exports of Art and Pictorial Books:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
United Kingdom	9,355	9,679	7,762	7,626	1,538	1,195	906	1,044
Canada	4,179	5,072	3,586	4,753	527	516	378	643
Australia	2,182	2,046	1,491	592	363	306	255	101
Netherlands	1,965	1,487	1,467	788	392	251	249	131
Hong Kong	1,261	747	564	856	222	120	91	156
Mexico	777	1,027	929	240	152	118	105	31
Germany	688	391	351	1,646	103	103	95	40
Japan	552	699	618	768	77	102	93	125
France	160	429	292	176	24	73	50	26
New Zealand	262	280	274	51	45	48	46	6

Book Imports

Two of the largest book import categories posted large declines. Textbooks slipped 9.5 percent, and technical, scientific, and professional titles were down 5.48 percent. Hardcover books inched up, though only by 0.80 percent, and mass market paperbacks—despite the e-book upheaval—jumped 25.74 percent. However, it seems unlikely that hardcover books or mass market paperbacks will post increases in the next few years as the trade book market is about 30 percent digital (and that percentage is projected to increase). Table 16 has the import revenue trends.

If anyone doubted the impact of e-readers and e-books on printed book sales, Table 17 should make it clear. Large unit declines were evident between 2011 and 2012 in textbooks (down 5.48 percent); religious books (down 4.70 percent); technical, scientific, and professional books (down 33.59 percent); and hardcover books (down 5.83 percent). As for YOY 3Q 2012 and 3Q 2013, only mass market paperbacks saw an increase (3.2 percent); all of the other categories were negative. See Table 17.

The *Chronicle of Higher Education* estimates that more than 92 percent of U.S. college students (in junior and community colleges, four-year colleges, and graduate and professional colleges) have computers. Digital textbooks have been on the market for more than seven years, and interest is growing because of price, portability, and the availability of “enriched” texts (digital textbooks with audio and video). It therefore is not surprising that print textbook imports continued to see unit declines. Nine of the top ten countries that send imports to the United States recorded unit declines. There were major declines in imports from the United Kingdom (19.4 percent), the United Arab Emirates (39.4 percent), and Hong Kong (22.8 percent); and an overall decline of 9.50 percent YOY from 3Q 2012 to

Table 16 / U.S. Imports of Books: 2009–2012, 3Q 2012 and 3Q 2013
(\$'000)

Category	2009	2010	2011	2012	2012 3Q	2013 3Q	Percent Change 2012 3Q and 2013 3Q
Dictionaries and thesauruses	5,517	5,930	5,338	4,010	3,353	2,987	-10.9
Encyclopedias	1,960	1,261	2,244	2,094	1,839	1,036	-43.7
Textbooks	246,473	259,537	219,562	198,699	150,027	128,647	-14.3
Religious books	122,195	132,100	135,621	138,218	106,472	98,000	-8
Technical, scientific, and professional	177,169	198,006	185,266	175,108	n.a.	n.a.	n.a.
Art and pictorial books*	26,394	43,816	43,535	47,780	37,706	30,274	-19.7
Hardcover books	528,402	532,863	466,362	470,094	n.a.	n.a.	n.a.
Mass market paperbacks	84,415	89,209	71,571	89,990	64,620	64,166	-0.7

Source: U.S. Department of Commerce, International Trade Administration. All totals are rounded off to one decimal point. Data for individual categories may not add to totals due to statistical rounding. Individual shipments are excluded from the foreign trade data if valued under \$2,500.00. Commerce often updates previously released data incorporating changes in collection methodologies.

*Valued at more than \$5.00

n.a. = not available

Table 17 / U.S. Imports of Books: 2009–2012, 3Q 2012 and 3Q 2013
('000)

Category	2009	2010	2011	2012	2012 3Q	2013 3Q	Percent Change 2012 3Q and 2013 3Q
Dictionaries and thesauruses	2,309	1,601	1,301	905	662	738	11.6
Encyclopedias	452	330	853	864	821	114	-86.2
Textbooks	40,214	44,670	32,740	30,945	22,842	20,664	-9.5
Religious books	63,357	86,736	70,569	67,255	51,929	51,027	-1.7
Technical, scientific, and professional	33,190	47,418	61,412	40,784	61,412	40,784	-33.6
Art and pictorial books*	1,746	2,352	2,294	2,103	1,750	1,631	-6.8
Hardcover books	186,920	198,684	173,756	163,629	121,454	120,982	-0.4
Mass market paperbacks	41,521	45,536	38,526	52,198	37,887	39,109	3.2

*Valued more than \$5.00

3Q 2013. As expected, import units were once again dominated by China at 12.1 million, up 12.16 percent. Canada was relatively close behind.

Import revenues for the third quarter of 2013 had a similar fate, with seven of the top countries experiencing overall declines. YOY results between 3Q 2012 and 3Q 2013 were mixed; Hong Kong's revenue figures plunged (down 62.9 percent), while Australia saw a surge (99.4 percent). See Table 18.

**Table 18 / U.S. Imports of Textbooks:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
United Kingdom	61,809	48,089	36,884	27,170	3,946	3,051	2,280	1,837
China	38,153	45,751	33,051	32,299	10,808	12,122	8,319	8,498
Canada	46,109	45,291	32,946	27,341	7,890	7,753	5,426	5,038
Hong Kong	23,155	10,127	8,527	3,160	2,680	844	656	507
Singapore	7,365	10,138	9,053	7,847	1,590	2,288	2,188	1,949
Mexico	4,589	3,420	2,807	2,760	583	720	650	400
India	4,455	3,278	2,101	3,165	257	241	158	168
Colombia	4,385	3,361	2,812	1,966	1,440	1,009	819	552
United Arab Emirates	3,844	4,016	3,839	2,540	306	300	285	173
Australia	1,845	3,015	2,155	4,298	n.a.	n.a.	n.a.	n.a.

n.a. = not available

In the import sector, as in the export sector, religious books held their own, with only four top ten nations posting declines. In revenues, China continued to hold first place as a source of printed (not printed and published) religious books (up 6.47 percent). Other successful sources of books included the United Kingdom (up 18.35 percent) and South Korea (up 9.7 percent). In terms of units, five nations saw declines. In YOY results, most of the top ten nations saw decreases in both revenues and units. See Table 19.

**Table 19 / U.S. Imports of Bibles, Testaments, Prayer Books,
and Other Religious Books: Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
China	59,939	63,820	48,570	47,322	29,916	30,427	23,966	21,990
South Korea	19,199	21,062	16,949	14,889	10,243	8,501	6,246	5,441
Colombia	15,199	12,280	9,706	3,655	7,780	7,613	6,261	3,323
Israel	8,515	7,991	6,401	5,352	3,068	2,595	2,136	2,097
Italy	4,939	4,423	3,866	2,681	942	1,114	1,023	1,183
Spain	4,089	2,716	2,218	1,292	608	392	281	182
United Kingdom	3,428	4,057	2,685	2,640	404	861	715	611
India	2,032	2,462	2,048	1,357	1,813	1,313	1,090	1,245
Germany	1,675	2,154	1,427	3,772	400	932	507	3,358
Mexico	1,601	2,590	1,929	1,978	3,052	3,448	2,298	3,605

There were notable decreases in the technical, scientific, and professional books category. In revenues, Germany was down 35.61 percent, Canada 5.50 percent, and India 48.77 percent. Overall, unit statistics were no better; only three countries saw positive results—India was up 75.26, Italy 166.12 percent, and Japan 20.54 percent). Those with unit decreases included China (down 42.54 per-

cent), Germany (down 53.83 percent), and Mexico (down 45.17 percent). YOY data was not available from ITA for revenues or units. See Table 20.

**Table 20 / U.S. Imports of Technical, Scientific, and Professional Books:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
China	36,824	49,489	n.a.	n.a.	28,273	16,246	n.a.	n.a.
United Kingdom	25,314	21,749	n.a.	n.a.	2,191	2,070	n.a.	n.a.
Canada	25,097	23,717	n.a.	n.a.	4,481	3,598	n.a.	n.a.
Germany	17,820	11,474	n.a.	n.a.	1,919	886	n.a.	n.a.
Japan	16,862	18,034	n.a.	n.a.	1,933	2,330	n.a.	n.a.
India	15,047	7,708	n.a.	n.a.	1,160	2,033	n.a.	n.a.
Mexico	11,738	6,173	n.a.	n.a.	13,679	7,500	n.a.	n.a.
Singapore	7,451	5,537	n.a.	n.a.	1,574	1,314	n.a.	n.a.
France	3,451	3,959	n.a.	n.a.	667	272	n.a.	n.a.
Italy	2,547	5,700	n.a.	n.a.	242	644	n.a.	n.a.

n.a. = not available

China was the leader in imports of hardbound books, with more units than the other top ten nations combined, although it saw a decline of 2.22 percent in 2012. The United Kingdom again was up, by 64.14 percent. The results for France (up 72.97 percent) and Germany (up 55.10 percent) were impressive, although they were on relatively small totals. Five nations were up in revenues, paced by China (up 3.36 percent), the United Kingdom (up 57.98 percent), and Germany (up 30.52 percent). YOY tallies were only available for units between 3Q 2012 and 3Q 2013; India dropped 27.9 percent and Spain 53.4 percent. Table 21 contains the data.

**Table 21 / U.S. Imports of Hardbound Books:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
China	293,195	303,043	n.a.	n.a.	136,428	133,402	98,686	97,986
United Kingdom	28,977	45,777	n.a.	n.a.	1,955	3,209	2,359	2,565
Italy	26,713	23,842	n.a.	n.a.	2,282	1,722	1,132	1,261
Singapore	26,004	19,964	n.a.	n.a.	11,101	8,961	6,694	4,949
Canada	19,374	14,433	n.a.	n.a.	5,726	3,390	2,641	2,570
Hong Kong	18,034	13,031	n.a.	n.a.	7,741	3,992	2,978	3,574
Germany	7,291	9,516	n.a.	n.a.	931	1,444	1,205	1,367
Spain	7,810	5,418	n.a.	n.a.	1,032	1,134	992	462
France	5,651	6,524	n.a.	n.a.	74	128	91	962
India	3,584	4,277	n.a.	n.a.	591	1,006	646	466

n.a. = not available

Imports of mass market paperbacks (also known as rack size paperbacks) recorded an overall 3Q 2012 to 3Q 2013 YOY unit increase of 3.20 percent despite

unit decreases in seven of the top ten. China dominated the import sector in this category in 2012 with 35.9 million units and \$53.6 million in revenues, showing strong increases both in units (up 60.41 percent) and revenues (up 63.52 percent). Unit manufacturing costs in China are, generally, more than 30 percent lower than similar costs in the United States, which explains the number of books printed in China. In units, six nations saw declines; in revenues, five declined. YOY data for 3Q 2012 and 3Q 2013 for units show only China up (by 18.3 percent); Malaysia was down 51.2 percent, the United Kingdom 60.9 percent, and Hong Kong 38.3 percent. The revenue results were dominated by negative results for the United Kingdom (down 61.1 percent), Malaysia (down 50.1 percent), and Spain (down 10.5 percent). See Table 22.

**Table 22 / U.S. Imports of Mass Market Paperbacks (Rack Size):
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
China	32,832	53,686	37,414	41,926	22,417	35,959	25,433	30,079
Canada	12,761	11,723	8,753	7,924	5,584	5,365	3,849	3,444
United Kingdom	8,311	6,716	5,104	1,986	1,478	1,517	1,141	446
Singapore	3,433	3,006	2,328	1,774	2,397	2,258	1,713	1,203
Spain	2,922	1,575	1,239	1,109	1,236	1,004	868	695
Hong Kong	2,689	2,568	1,705	1,193	1,397	1,088	812	501
Malaysia	1,973	3,276	2,545	1,269	1,762	2,349	1,995	974
Italy	942	1,429	792	1,721	382	244	131	218
South Korea	865	1,185	978	1,562	861	799	630	822
Germany	333	1,455	1,228	1,245	64	362	282	272

**Table 23 / U.S. Imports of Encyclopedias an Serial Installments:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
China	1,436	754	718	289	696	298	292	47
United Arab Emirates	266	185	165	130	64	32	27	36
Mexico	214	253	145	54	40	42	36	6
United Kingdom	79	69	69	467	3	3	3	11
Malaysia	59	85	85	14	25	33	33	10
Hong Kong	52	32	n.a.	n.a.	8	4	n.a.	n.a.
Italy	49	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
India	21	95	89	n.a.	3	2	2	n.a.
Portugal	21	2	n.a.	n.a.	4	3	n.a.	n.a.
France	17	10	10	10	n.a.	6	6	n.a.

n.a. = not available.

Data for encyclopedias and serial installments was incomplete, but the results (Table 23) revealed declines that paralleled those in the export sector. Table 24 re-

**Table 24 / U.S. Imports of Dictionaries and Thesauruses:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
United Kingdom	1,144	837	637	728	274	232	177	189
Italy	951	1,361	1,314	188	145	172	146	22
China	943	737	670	595	370	202	155	150
France	821	45	n.a.	n.a.	111	6	n.a.	n.a.
Singapore	413	101	4	154	78	17	n.a.	n.a.
India	192	166	90	102	65	62	26	50
Spain	189	208	156	137	41	40	28	36
United Arab Emirates	172	117	117	60	52	27	27	18
Colombia	164	151	151	219	47	48	48	47
Canada	97	37	17	45	55	70	35	19

n.a. = not available.

**Table 25 / U.S. Imports of Art and Pictorial Books Valued at \$5 or More:
Top Ten Markets 2011–2012, 3Q 2012 and 3Q 2013**
(\$'000, '000 Units)

	Revenues				Units			
	2011	2012	3Q 2012	3Q 2013	2011	2012	3Q 2012	3Q 2013
Italy	11,624	13,589	9,942	10,393	188	194	154	145
Germany	10,557	7,424	4,875	5,382	715	427	332	412
United Kingdom	7,752	11,151	9,983	4,651	351	398	343	416
China	4,996	6,624	5,409	4,910	516	602	513	374
France	1,795	2,653	2,375	559	130	33	23	16
Spain	1,576	671	466	405	57	35	20	26
Hong Kong	1,029	695	535	428	102	65	52	30
Netherlands	1,007	747	663	1,017	40	32	24	38
Singapore	792	1,056	972	206	80	158	150	26
Australia	280	121	106	121	16	13	12	11

veals the fact that dictionaries and thesauruses, in most instances, had poor results in revenues, units, and YOY 3Q 2012 and 3Q 2013 results.

The art and pictorial book category is rather resilient on what is a small revenue stream. Impressive gains were posted by Italy (16.90 percent), the United Kingdom (43.85 percent), and Singapore (33.3 percent), but five other nations had negative figures. Unit data remained small, but showed some major declines (Germany was down 40.28 percent, France 74.52 percent). YOY totals also look large (the Netherlands up 53.4 percent in units and Singapore down 78.81 percent), but small incremental changes up or down can easily move the needle in this category. See Table 25.

Author's Note: On March 19, 2013, *The Library and Book Trade Almanac* was mentioned in a U.S. Supreme Court decision, "Opinion of the Court. Supreme Court of the United States. *Supap Kirtsaeng, DBA BlueChristine99, Petitioner v. John Wiley & Sons, Inc.*, in which the court held, 6–3, that the "first sale doctrine" applies to copies of copyrighted works lawfully made abroad.

Page 20 of Justice Stephen Breyer's opinion includes this notation: "See also *Library and Book Trade Almanac* 511 (D. Bogart ed., 55th ed. 2010)." Justice Breyer used the standard legal citation format employed by the Supreme Court; if the *Chicago Manual of Style* citation form had been used, the notation would have read as follows: Albert N. Greco. "Global Recession Dampens U.S. Book Exports and Imports in 2009," in the *Library and Book Trade Almanac* 2010, 55th edition, edited by Dave Bogart (Medford, NJ: Information Today, Inc., 2010), page 511.

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When using the term “technological disruption,” we have in mind how technological breakthroughs can literally revolutionize the way people work, with implications for the entire economy. Consider the changes that arrived with the internal combustion engine or electricity. Or, to take a more recent example, consider the disruption over the past 20 years caused by the globalization of manufacturing. Our ability to measure the impact of digital technology is constantly playing catch-up with the technology itself. This is not just true for investment. It is also becoming more complicated to measure how much households spend and import. Digital technology makes it easier than ever to make purchases online, from anywhere in the world. We use cookies to make interactions with our website easy and meaningful, to better understand the use of our services, and to tailor advertising. For further information, including about cookie settings, please read our [Cookie Policy](#) . By continuing to use this site, you consent to the use of cookies. Got it. We value your privacy. We use cookies to offer you a better experience, personalize content, tailor advertising, provide social media features, and better understand the use of our services. Export behaviour is modelled in a dual manner: as both the decision to export and the intensity of exporting. The results indicate that firm size, research intensity, average director's pay and the variance of the sterling-dollar exchange rate all increase the probability of becoming an exporter.